

July 12, 2007

Chambers of Honorable P. Kevin Castel
United States District Court
Southern District of New York
500 Pearl Street
New York, N.Y. 10007

Re: Kim v. Hilton Hotels Corp, et.al. Docket No 07-4696

Dear Honorable Sir:

In accordance with the Court's Order of June 11, 2007, this is the parties Joint Letter. The initial pre-trial conference is scheduled for Friday, July 20, 2007 at 3:00 pm.

This is an action for negligence and breach of quiet enjoyment against Hilton Hotels Corp. and Hilton Garden Inn, Inc. (collectively "Defendants") predicated upon Kim ("Plaintiff") being the alleged victim of a bed bug bites due at one of the Hilton hotels.

This action seeks damages for Defendants' alleged negligent actions in violating its duty of providing accommodations that are reasonably safe for contemplated use, allegedly causing the Plaintiff embarrassing physical injury and tremendous emotional distress. Plaintiff seeks (i) compensatory damages and (ii) punitive damages due to her alleged injuries.

THE PARTIES

The Plaintiff is an individual residing in the State of New York. Defendant Hilton is a Delaware corporation with its principle place of business in California. It is an alleged active foreign business corporation duly licensed to transact business in New York. Upon Plaintiff's information and belief, Defendant Hilton Garden Inn is a wholly owned subsidiary of Hilton Hotels.

FACTUAL BACKGROUND

On March 26, 2007, Plaintiff checked into room 336 of the Hilton Garden Inn in Columbus, OH. Plaintiff was on a business trip. The next morning Plaintiff claims she noticed some bites on her body, but was unsure of their origin or nature. Plaintiff stayed another night in the same room, and after the second night in Defendant's hotel, she alleges she discovered the bites worsened. Plaintiff

claims to have discovered her bed infested with beg bugs. Plaintiff alleges she suffered more than one-hundred-fifty (150) bites on her hands, feet, face, fingers, toes, legs, neck, back, chest, stomach and genital areas.

Plaintiff alleges she went to an urgent care facility in Columbus, OH for immediate treatment. When Plaintiff arrived back in New York on March 29, 2007, she allegedly sought treatment from a dermatologist and was prescribed both Clobex spray and Zyrtec for the bites.

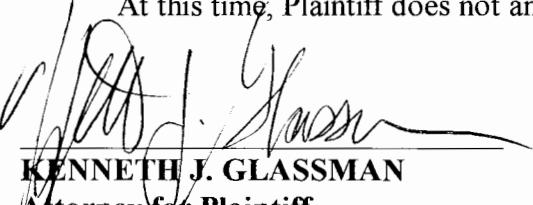
Plaintiff seeks damages on various theories of negligence, recklessness, carelessness, or misfeasance or malfeasance of the Defendants, in the ownership, maintenance, supervision, and control of their property; a Breach of Warranty of Habitability and Quiet Enjoyment; Extreme Emotional Distress and Strict Liability.

DEFENSES

Defendants submit that Hilton Hotels Corporation does not own, operate, manage or control the hotel known as Hilton Garden Inn. Furthermore, Hilton Garden Inn, Inc. is a non-entity and as such is mistakenly sued in this suit. At this juncture defendants require further discovery to factually support the other defenses asserted in the Answer.

Although settlement has been discussed briefly, at this stage the parties are far apart.

At this time, Plaintiff does not anticipate any motion practice.



KENNETH J. GLASSMAN
Attorney for Plaintiff
475 Park Avenue South, Suite 700
New York, New York 10016
(212) 213-2510



Joseph E. Donat
HERZFELD & RUBIN, P.C.
By: JOSEPH E. DONAT
Attorneys for Defendants
40 Wall Street, 54th Floor
New York, New York 10005
(212) 471-8550